

hits some snags Congress kills A-E procurement test

les action on membership reconsiders consolidation

Congressional approval of a \$1.7-billion military construction authorization bill for the current fiscal year has made academic a controversial Department of Defense (DOD) attempt to introduce a form of price competition into the federal procurement of architectural and engineering services.

Under pressure from a compromise bill worked out by a Senate-House conference committee, DOD last week decided to cancel its one-year test of price-estimated multiple proposals for A-E services. The test has been under heavy fire from A-E interests (ENR 9/24 p.9).

The compromise bill, now awaiting President Nixon's signature, provides that "architect and engineering contracts, unless specifically authorized by Congress, shall continue to be awarded in accordance with presently established procedures, customs and practice." Historically, such contracts have been awarded on the basis of qualification with the fee negotiated.

However, in an attempt to monitor construction costs, the authorization bill does require the Secretary of Defense to report to Congress all projects where bids have exceeded the amounts authorized by 25%. It also directs the three military services to file semi-annual reports on all construction contracts not awarded on a competitive basis to the lowest bidder.

Regarding specific programs, Congress authorized \$188 million for construction of 7,600 new military family housing units and raised the average per-unit cost from \$21,000 to \$23,000.

The authorization approval sets the stage for an appropriation compromise when the post-election session convenes in November. The Senate appropriation bill, also passed last week, at \$2.1 billion, is \$61 million higher than the House counterpart approved last June. But the conference committee is expected to fund substantially all the projects authorized.

Housing partnership makes first investment

The National Corporation for Housing Partnerships' (NCHP) first investment will be made in a 164-unit moderate-income apartment complex on Chicago's South Side.

The complex, to be called Lake Park Manor, will be constructed under the Section 236 interest subsidy program of the Housing and Urban Development Act. It will be jointly sponsored by NCHP and Interaction, Inc., a Chicago interracial development group.

NCHP is a quasi-public corporation created by Congress under the Housing Act of 1968 as a device for attracting large amounts of private money for investment in government subsidized housing (ENR 2/12 p.11). So far, 268 corporations, utilities, labor unions, banks and insurance companies have invested more than \$42 million in NCHP. This capital investment enables NCHP to share initial financial and equity risks with private developers, according to Carter Burgess, chairman and chief executive officer of NCHP.

NCHP has acquired a 23.7% ownership interest in Lake Park Manor with an equity investment of \$50,000. Other investors include Commonwealth Bank of Chicago and the People's Power Development Corp., a

local black neighborhood organization (\$10,000). A \$3,024,000-mortgage and interim financing are now being arranged.

The contractor will be a joint venture of James McHugh Construction Co., and Bush Construction Co., a black-owned firm.

Meany eyes teamsters, UAW

AFL-CIO President George Meany has taken another step toward the possible reaffiliation of the teamsters and the United Auto Workers (UAW).

Meany will meet with teamster leader Frank E. Fitzsimmons within the next two weeks. It will be his first official meeting with a teamster official since the union's expulsion from the federation in 1957.

The specific subject of the meeting is a California dispute with the teamsters. But like a meeting with UAW President Leonard Woodcock last summer, it is expected to open up new and official channels of communication between the two groups.

Meany has said he would like to see the UAW pull back in the AFL-CIO.

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